CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE CALIFORNIA ORGANIC PRODUCTS ADVISORY COMMITTEE

Meeting Minutes August 17, 2004

Monterey County Agricultural Commissioner's Office Salinas, CA

COMMITTEE MEMBERS

Gay Timmons
Fred Rappleye
Richard Krengel
Sharon Lanini
Kim Dietz
Joseph Hall
Rick Melnicoe
Deanna Marquart
Diane Cooner
Stacy Carlsen
James Rickert, Voting Alternate

CDFA REPRESENTATIVES

Rick Jensen Ray Green Susan Shelton

INTERESTED PARTIES

Jake Lewin, CCOF
Janning Kennedy, CCOF
Vanessa Bogenholm, CCOF/VB Farms
Karen Troxell, Enforcement Subcomm.
Will Daniels, Natural Selection Foods
John Foster, QAI
Patricia Smith Stellar
Tony Munoz, DHS
Lisa Fuentes

ITEM 1: INTRODUCTIONS

Chairman Gay Timmons called the meeting to order at 10:02 a.m. Introductions were made. A quorum was established. James Rickert, alternate committee member, attended for Bill Reichle.

ITEM 2: APPROVAL OF MAY 2004 COMMITTEE MEETING MINUTES

MOTION: Deanna Marquart moved to approve the May 18, 2004 meeting minutes as submitted. James Rickert seconded. The motion passed unanimously.

ITEM 3: CHAIR REPORT – GAY TIMMONS

Gay Timmons reminded the committee that at the conclusion of the COPAC meeting the first of three listening sessions would be convened. These sessions with producers, consumers, and handlers/processors are being held to identify the needs of the organic industry.

Gay announced that the California Performance Review has been released. The governor requested this review to assess the effectiveness of California State agencies and to have the review committee recommend possible changes. For further details, including the dates of upcoming listening sessions, the web address is www.cpr.ca.gov.

ITEM 4: VICE CHAIR REPORT

Election of officers will be at the February 2005 meeting.

ITEM 5: CDFA REPORT – RAY GREEN

A. COST SHARE UPDATE

On May 17, 2004, a letter was sent out to the industry explaining that the Organic Cost Share Program would continue for another year.

As of July 29, 2004, the figures for both reimbursement years are as follows:

- 854 organic operations have received reimbursement in the amount of \$371,000+.
- 755 applications have been received, but not processed, for a possible reimbursement of \$332,000+.
- It is estimated that in addition to the original \$700,000 received by USDA, another \$300,000 would be needed to cover reimbursements for both years.

B. ENFORCEMENT

Ray stated that enforcement issues, including due process, is found in the California Administrative Procedures Act. Due process in COPA came from existing Federal Organic Law. These procedures are also in the counties' Contracts Procedures Manual.

Ray explained that the county payments for the last quarter of the fiscal year would be reported at the next COPAC meeting.

As of note, the National Organic Program's (NOP) compliance office is now located in Fresno, CA.

ITEM 6: DHS REPORT – PAT KENNELLY

As Pat Kennelly was unable to attend this meeting, Tony Munoz of DHS gave the following report:

- DHS currently has 784 registered organic firms
- 400 inspections were completed in the last 18 months.
- There were 13 organic complaints in the 2003 fiscal year
 - All were found to be violations
 - All firms voluntarily complied

ITEM 7: APPROVAL OF 2004/05 BUDGET

Ray Green gave the committee a copy of the Organic Program Budget 2004/2005 Fiscal Year. He explained that the data processing line item has gone up dramatically due to a contract with UC Davis to design the organic mapping website and fix the electronic registration system.

A discussion ensued regarding specific line items. The committee requested information that was not included in the budget such as, 2003/2004 revenue, DHS budget, etc. Rick Jensen stated that a fund condition report could be brought to the committee at the next meeting. This would show expenditure amounts, revenue, cash reserves, etc. The DHS budget will also be provided at the next meeting.

MOTION: Joe Hall moved to approve the total program costs for 2004/05 as presented. Sharon Lanini seconded. The motion passed unanimously.

ITEM 8: ENFORCEMENT SUBCOMMITTEE MEETING UPDATE

Gay Timmons reported on the Enforcement Subcommittee meeting. Gay stated that the amendment to Section 1392.4 is close to being passed. This requires farmers at certified farmers' markets, who are claiming organic, to post both their organic registration and organic certification.

A discussion ensued regarding the complaint process. Ray Green agreed to send a copy of the Organic and the Certified Farmers' Market complaint forms to all of the certifiers.

ITEM 9: FLORIDA INSPECTION PRACTICES FOR ORGANIC PRODUCE

Will Daniels of Natural Selection Foods attended to expound on a letter he has sent to the committee requesting guidance. He explained that one of their shipments of Romaine lettuce was found to be infested with the red lettuce aphid. This is a quarantined insect in Florida. Since that time, Florida has required that each load be inspected for this aphid before being allowed into the state.

Natural Selection Foods' view is that there needs to be a self regulated program, there needs to be an allowable tolerance, and that conventional lettuce growers should be held to the same inspection standards as organic lettuce growers.

It was agreed that a group of COPAC members with various areas of expertise would meet with Mr. Daniels to discuss this matter in more depth and give him resources and ideas on how to handle this situation. Also, the letter Mr. Daniels wrote will be distributed to the committee.

ITEM 10: CCOF LETTER

Jake Lewin of California Certified Organic Farmers (CCOF) reviewed the main points from a letter Brian McElroy sent to Ray Green. Jake expressed CCOF's concern that CDFA is placing education and outreach over testing and appeals. Specifically, this letter stated concern that:

- The CDFA appeal process is not well defined
- A recent soil inspection should have been completed by CDFA, not the certifier

Gay Timmons explained that this letter had spawned the idea for the listening sessions. It had reinforced the fact that industry must be the driving force behind the organic program, the listening sessions will offer industry a platform to express their ideas, priorities, and requests.

Kim Dietz suggested that a subcommittee be set up to prioritize concerns and changes. Gay stated that an ad hoc committee could be assembled with industry representatives; one does not have to be a member of COPAC to join an ad hoc committee.

Various ideas were discussed on how the appeal process could be easier to access. Ray Green stated that the appeal process outlined in the Federal Regulations for USDA also applies to CDFA.

Regarding the testing concern, Rick Jensen suggested that CCOF and CDFA meet to discuss and resolve that issue.

The COPAC members requested a copy of Mr. McElroy's letter. One will be provided to each member.

ITEM 11: GE WHITE PAPER – SECRETARY'S RESPONSE

Gay Timmons reported that the task force regarding genetic engineering has not yet been assembled; however, the Governor's office has expressed interest in the idea.

ITEM 12: ORGANIC MAPPING PROJECT

Ray Green updated the committee on the progress of the organic mapping project. Through UC Davis, Yao Nguessan has contracted with CDFA to create an organic mapping database, which will be accessible via the Internet. It is estimated that this program will be completed in the next six to eight months. Yao will attend the next COPAC meeting to explain and preview this project.

<u>ITEM 13: FINAL DRAFT OF THE COPA NEWSLETTER – GAY TIMMONS AND DIANE COONER</u>

Gay Timmons and Diane Cooner have been working on a newsletter to be sent out with the annual registrations. This newsletter will be a way to keep in touch with the organic community and update them on regulations, procedures, and changes.

ITEM 14: MEMBER REPORTS

Kim Dietz gave an update on the National Organics Standards Board (NOSB). On October 12-14, 2004, there will be a Policies and Procedures meeting in Washington DC to discuss the interactive roles between NOSB and USDA. Other items in NOSB discussions are the materials petition process, sunset provisions on various materials, and the five board vacancies.

ITEM 15: NEW BUSINESS

No new business was officially brought forward.

ITEM 16: ADJOURNMENT

MOTION: Joe Hall moved to adjourn the meeting. Fred Rappleye seconded and passed unanimously.

Meeting adjourned at 2:12 P.M.

Respectfully submitted by:

Ray Green, Supervisor
Organic Program
Inspection and Compliance Branch
Inspection Services